



**EEA Fund Management Limited**

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Yesterday afternoon the Board of the EEA Life Settlements Fund PCC Limited (Fund) decided to suspend dealings in the Fund.

On Monday (28th November) the UK FSA issued guidance on traded life policy investments warning that “traded life policy investments (TLPs) are high risk, toxic products that are generally unsuitable for the majority of UK retail investors and should therefore not be promoted to them”.

See: <http://www.fsa.gov.uk/pages/Library/Communication/PR/2011/102.shtml>

This statement has led to cancelled subscriptions and redemption requests significantly above normal redemption levels.

I have pasted a copy of the formal announcement below and would reiterate the final paragraph in which it confirms that the Board will keep shareholders updated and will resume dealings as soon it considers it prudent to do so and that the suspension will not affect the ability of the Fund to pay premiums on policies in the usual manner.

Finally, I can assure you that EEA intends to participate in the FSA consultation process.

Yours sincerely,

Peter Winders  
Marketing Director  
EEA Fund Management Limited

## **Announcement from the Board of Directors of the EEA Life Settlements Fund PCC Limited**

Following a meeting on 30 November 2011 of the Board of Directors (the "Board") of EEA Life Settlements Fund PCC Limited (the "Fund"), the Board has declared an immediate suspension of the valuation of the net asset value of all classes of participating shares in each cell of the Fund and of the issue, sale, purchase, redemption and conversion of shares of each such class, which the Board is entitled to do in accordance with the Fund's articles of incorporation and offering memorandum.

As a result of this decision, (i) all applications for shares received in respect of the 1 December 2011 dealing day will not be accepted and application monies will be returned to prospective investors, and (ii) all requests for the redemption of shares in respect of the 1 December 2011 dealing day will not be effected during the period of suspension.

The Fund maintains levels of liquidity which the Board considers prudent for normal operational purposes, including payments of premiums on policies. The UK Financial Services Authority (FSA) draft guidance on Traded Life Policy Investments issued on 28 November 2011 has led to cancelled subscriptions and redemption requests significantly above normal redemption levels. As the current liquidity levels of the Fund are insufficient to satisfy such redemption requests in full and the Board has determined that it is not reasonably practicable to realise or dispose of its investments to satisfy such requests, the Board has decided to suspend dealings.

The Board will keep shareholders updated and will resume dealings as soon as it considers it prudent to do so. Shareholders should be assured that the suspension of dealings will in no way affect the ability of the Fund to pay premiums on insurance policies in the usual manner.